

STATE SCHOOL AID UPDATE

Michigan Department of Education



May 2014

Vol. 22 No. 8

STATE SCHOOL AID DATA UPDATED FOR MAY

The May state school aid payment is the 8th regular payment of the year and reflects 72.72% of the year's allocation for Sections 22a, 51c, and 22b as well as for most categoricals. Prior year adjustments are made at 100% in a single payment. The payment will post at the districts' banks on Tuesday, May 20, 2014.

Taxable value figures used to calculate the May payment represent the tax year 2013 values provided by county treasurers via the web-based taxable valuation collection process. Any revisions to taxable values received prior to May 2, 2014 were incorporated into the payment calculation. County treasurers should have reported by that date the taxable valuations as of the date that they settled with the local unit treasurers. The settlement numbers will have value changes from the July and December Boards of Review as well as any other changes since the fourth Monday in May 2013. Districts may want to contact their county treasurers as well to encourage them to report the revised values if it is apparent that they have not yet done so.

The **membership blend** used to calculate the May payment incorporated all Michigan Student Data System (MSDS) pupil (FTE) counts released to the Department as of April 29, 2014, the date the Department downloaded the pupil counts from the Center for Educational Performance and Information. The following **categoricals** were updated in the May payment although the updates may not have affected the allocation amounts for all districts. If the allocation amount for your district has changed and you have questions concerning that change, contact the consultants identified below:

- Great Start Readiness - Section 32d (Pat Sargent, Office of Great Start/Early Childhood and Family Services, (517) 241-4741, SargentP@Michigan.gov)
- School Lunch - Section 31d (Dawn Harris, School Support Services, (517) 373-4335, HarrisD6@Michigan.gov)
- First Robotics - Section 99h (Ann Marie Smith, Education Improvement and Innovation, (517) 335-2775, SmithA24@Michigan.gov)

BEST PRACTICE REPORTING

The deadline for Best Practice resolution submission and Best Practice compliance is June 1, 2014. As mentioned in the April UPDATE, Best Practice funds will be forfeited by those districts not in compliance by June 1. If your district has not submitted a resolution but plans to do so on or close to June 1, 2014, please ensure all the requirements are met before submission.

There are two lists available on our website. The [first list](#) shows districts that have submitted a resolution and are receiving money. The [second list](#) shows districts that have submitted a resolution but are not receiving money because of compliance issues. If your district has submitted a resolution but is not found on either list, it is possible we did not receive your resolution. Please ensure your resolution was sent to John A. Hayner at the e-mail address listed below.

For questions related to requirement G, please contact Chad Urchike at UrchikeC1@michigan.gov or (517) 335-1261. For any other questions related to Best Practices and for resolution submission, please contact John A. Hayner at HaynerJ1@michigan.gov or (517) 241-0495.

BULLETINS 1011 AND 1014

The Office of State Aid and School Finance has completed a review of the 2012-13 Financial Information Database (FID) data submitted by each Michigan public school district in accordance with MCL 388.1618(5). These data have been compiled and published in the [2012-13 Bulletin 1011- Analysis of Michigan Public School Districts Revenue and Expenditures](#) and the [2012-13 Bulletin 1014- Michigan Public School Districts Ranked by Selected Financial Data](#). The Bulletin 1014 contains various pieces of financial information about Michigan Public Schools including revenue and expenditure per pupil. It also includes the fall pupil count, average teacher salary, and taxable value information. The Bulletin 1011 is a financial report that groups districts by size of pupil membership. It contains various pieces of financial information about groups of Michigan Public Schools including balance sheet, revenue and expenditure data. It also includes the fall pupil count and average teacher salary for those groups.

The [2013 National Public Education Finance Survey \(NPEFS\)](#) is also available. Financial information contained in this survey is reported to the US Bureau of Census each year. The file contains both individual district and statewide totals for various categories of revenues and expenditures.

Questions related to the Bulletins or the NPEFS may be directed to Glenda Rader at raderg@michigan.gov or Christopher May at mayc@michigan.gov.

INDIRECT COSTS

Current indirect cost rate information is available at:

http://mi.gov/mde/0,1607,7-140-6530_6605-118785--,00.html. The new rate information includes Special Education rates for 2013-2014 and preliminary rate information for 2014-2015. Form R0418a, *Costs for the Development of 2014-2015 Federal Indirect Cost Rates* details the cost data used to calculate preliminary indirect cost rates. Form R0418, *Carryforward Calculation for 2014-2015 Federal Indirect Cost Rates* shows the results of the preliminary calculation. Form DS-4513 allows a district to edit preliminary cost information to portray more accurate indirect cost rates. Form DS-4513 is due by June 1, 2014. If you have any questions or comments, please contact Phil Boone at (517) 335-4059 or BooneP2@Michigan.gov.

SECTION 31A AT-RISK PROGRAM REPORTS DUE JULY 15, 2014

Local districts and public school academies receiving fiscal year 2014 funds under Section 31a At-Risk are required to submit the fiscal year 2014 Section 31a Program Report to the Department by **July 15, 2014**. The Section 31a Program Report is available in the Michigan Electronic Grants System *Plus* (MEGS+) at <https://mdoe.state.mi.us/MEGSPLUS/>. If the report is not submitted by July 15, 2014, an amount equal to the district's Section 31a August installment will be withheld from the August state aid payment as required by language in Section 31a of the State School Aid Act. These funds will be forfeited if the report is not received by September 30, 2014. If you have questions regarding Section 31a program and reporting requirements, please contact Lee Craft, Section 31a Consultant, Office of Field Services, at (517) 373-6066 or CraftL1@Michigan.gov. If you have MEGS+ related questions, please contact Judy Thelen, Analyst, Office of Field Services, at 517-335-1266 or ThelenJ8@Michigan.gov.

2013-14 CONSOLIDATION OF OPERATIONS OR SERVICES GRANT ANNOUNCEMENT

The Michigan Department of Education (MDE) is pleased to announce that as the result of a legislative change in PA 116 of 2014, funds originally appropriated under Section 22g of PA 60 of 2013, strictly for transition costs associated with the complete consolidation of districts or intermediate districts are now also available to districts and intermediate districts as reimbursement of transition costs associated with the consolidation of operations or services between two or more districts, intermediate districts, or other local units of government. Since a portion of the appropriation has already been awarded under the original legislation, an amount of approximately \$4,300,000 remains for additional consolidation projects. We anticipate the application will become available no later than July 1, 2014 in the MEGS+ system, and applications will be accepted through August 1, 2014. Please contact Christopher May at (517) 335-1263 or MayC@michigan.gov if you have any questions regarding this grant program or application process.

INFORMATION RELATED TO SCHOOL CLOSURES AFTER APRIL 1

The Department has received several requests for additional "snow" days pursuant to the language in State School Aid Act Section 101(4), (MCL 388.1701). Section 101(4) states that, "with the approval of the Superintendent of Public Instruction, the Department shall count as hours and days of pupil instruction...not more than six (6) additional days or the equivalent number of additional hours for which pupil instruction is not provided after April 1...due to unusual and extenuating occurrences resulting from conditions not within the control of school authorities..." State Superintendent Mike Flanagan will consider granting approval to count as instruction, days and hours described above when certain criteria are met as stipulated in a memo that can be found at:

http://www.michigan.gov/documents/mde/2014_Additional_Snow_Days_455705_7.pdf.

GENERAL INFORMATION

- The proration factor for Section 31a At-Risk funding is \$310.5349002180 per pupil.
- The proration factor for the Section 22j Performance Based funding is .9987620474
- The Headlee Obligation for Data Collection funds are paid out at a rate of \$24.7423797094 per pupil.

*Do you have questions about the information appearing in this UPDATE? Call the consultants identified above or **Dan Hanrahan, Director, State Aid and School Finance, MDE**, phone: (517) 335-0521, fax: (517) 241-0196, e-mail: HanrahanD@Michigan.gov